

MONTANA LEGISLATIVE HISTORY

Chapter 186 19 63

Bill H 232 S _____ Original bill & history ____C

H. Committee on Business & Industry

Hearing Date(s) Feb 05 ✓C

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_____C

Date Out _____C

S. Committee on Taxation

Hearing Date(s) Feb 26 ✓C

_____C

_____C

_____C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____

Report _____

the memorial.

House Business & Industry February 5, 1963

MR. KEN CLARK, Chairman of Montana Board of Railroad Workers, appeared as a proponent. Mr. Robert C. Thuermer, Montana State Legislator for Railroad Workers.

Gentlemen retired from the meeting. Motion made by Regan, seconded by Casey, that HJM, DO PASS carried.

HOUSE BILL 208. Motion made by Good, that House Bill 208 DO NOT PASS. Motion

HOUSE BILL 237. Chairman Dykstra's committee that the sponsors of this measure have no amendments to this measure. Motion made by J. Good that House Bill 237 DO PASS AS AMENDED.

HOUSE BILL 235. This bill had been passed by Business & Industry Committee but was referred to the committee for some proposed amendments. Motion made by Swanz, that House Bill 235 DO PASS AS AMENDED.

HOUSE BILL 236. HB236 was re-referred to the committee for proposed amendments.

House Business & Industry, February 5, 1963

man of Montana State Legislative
as a proponent to HJM4, as did
the Legislative Board of Railroad

from the meeting. Upon motion
that HJM4 DO PASS AS AMENDED. Motion

ion made by Regan, seconded by
ASS. Motion carried.

irman Dykstra informed the
s measure had some proposed
n made by Jenkins, seconded by
S AMENDED. Motion carried.

bill had been reported out of
pass but was referred back to
ments. Motion made by Regan, seconded
PASS AS AMENDED. Motion carried.

6 was re-referred to Business &

Manning at 12:15 P.M., February 26, 1963
Building. A quorum was present.

Senate Taxation February 26, 1963

Chairman Manning asked for the report of the 272 (relating to exemption from Inheritance Senator McKeon. Senator McKeon stated that bill were that it was entirely too broad in exempted and many of the national organizations. It will cost some money out of the inheritance.

Motion was made by Senator McKeon, that House In.

Motion was made by Senator Brenner, seconded Bill 237 (relating to corporation licenses) carried unanimously.

Motion was made by Senator McGowan, seconded Bill 197 (Co. Comm. est. fund known as "Class Maintenance Fund) was recommended Be Concurred in unanimously.

IN ROOM 425 ON THE SECOND FLOOR

Senate Taxation February 26, 1963

the Sub-Committee on House Bill
(Ice Tax) which was given by
that the basic objections to the
in the charitable organizations
ations have a charter in Montana.
itance tax if it is passed.

House Bill No. 272 Be Not Concurred

ended by Senator Goodwin that House
es) Be Concurred In. Motion

ended by Senator McKeon that House
Classification and Appraisal
curred In. Motion carried unan-

Cash balance.

(1) any net nonoperating fund cash balance; provided, that whenever a nonoperating district did not have a nonoperating fund the preceding year, the net cash balances in all of the regular funds of the district shall be combined to form a single balance which shall be called the nonoperating fund cash balance; provided, further, that any district which operated at least one (1) school in the year immediately preceding the budget year may retain separately any cash balance previously designated as its general fund cash reserve, if in the judgment of the trustees of such district the retention of such general fund cash reserve is essential to the operation of a school anticipated for the year following the budget year, and any such retained cash reserve shall not be deducted from the total amount required for the nonoperating budget;

Transportation reimbursement.

(2) the amount of any transportation reimbursement anticipated from the county;

Anticipated reimbursement.

(3) the amount of any transportation reimbursement anticipated from the state public school equalization fund; and

Miscellaneous revenues.

(4) any miscellaneous revenues available to the district. The remainder of the nonoperating budget amount, after deduction of the above revenues, shall be financed by a tax levied on the taxable valuation of the property of the school district.

Approved March 7, 1963.

CHAPTER 183

An Act to Amend Sections 15-108, 15-201, 15-204, 15-302, and 15-401, Revised Codes of Montana, 1947, to Provide That the Number of Directors of Private Corporations Created Under Chapter 1 of Title 15 of the Revised Codes of Montana 1947, May Be Fixed By By-Laws; Providing for Amendments to the Articles of Incorporation and By-laws so as to Provide That the Number of Directors May Be Fixed By the By-laws; Providing for the Filling of Vacancies in the Office of Director Created By an Increase in the Number of Directors; Repealing All Acts and Parts of Acts In Conflict With

This Act; and Providing for an Effective Date for This Act.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. Section 15-108, Revised Codes of Montana, 1947, is amended to read as follows:

"Section 15-108. **Articles of incorporation—what to contain.**

Articles of incorporation—recitals.

Articles of incorporation must be prepared, setting forth:

1. The name of the corporation; Name.
2. The purpose for which it is formed; Purpose.
3. The name of the county, and the city, town or place within the county, in which its principal office or principal place of business is to be located in this state; Place.
4. The term for which it is to exist, not exceeding forty (40) years; Term.
5. The number of its directors or trustees, which shall not be less than three (3) and the names and residences of those who are appointed for the first three (3) months, and until their successors are elected and qualified. Subject to such limitation, the number of directors shall be fixed by the by-laws, and amendments thereto duly adopted by the stockholders or directors. The number of directors may be increased or decreased from time to time by amendment to the by-laws, duly adopted by the stockholders or directors, but no decrease shall have the effect of shortening the term of any incumbent director. In the absence of a by-law fixing the number of directors, the number shall be the number stated in the articles of incorporation. Directors or trustees.
6. The amount of its capital stock, and the number of shares into which it is divided, and if there be more than one (1) class of stock created by the articles of incorporation, a designation of each class, with the amount of stock of each class and the number of shares into which it is divided, and a designation of the voting powers or rights, if any, of any or all classes of stock, with any limitation or restriction thereof, and with either Capital stock.
Classes.
Voting powers.

Series.	a designation and description of, or a delegation of power to the board of directors of the corporation to designate and describe, the different series, if any, of any class of such stock, the manner of issuing, preferences, limitations, restrictions, and other terms and conditions of or on which each class of said stock, or any series thereof, shall be issued. The articles of incorporation may also contain such provisions as may be desired, limiting or denying to the present or future stockholders of any or all classes of stock any preemptive or preferential right to subscribe to any or all additional issues of stock of the corporation of any or all classes, or bonds, debentures or other obligations convertible into stock, subject to the provisions of the constitution and laws of Montana fixing the required representation and proportion of outstanding capital stock required to be represented and voted, for specified action, at any and all corporate meetings, elections, votes, or consent proceedings, the articles of incorporation may contain provisions fixing the proportion of each or any class of stock which shall be required to be represented or voted, for specified action, at any such meeting, election or vote, or consent proceeding. The articles of incorporation may also contain provisions for issuing bonds, debentures or other obligations, convertible into stock of any class, in amounts, upon the terms, in the manner and upon the conditions, which shall be provided by resolution of the board of directors. The articles of incorporation may also contain provision making, or delegating power to the board of directors of the corporation to make, the stock of any class or series thereof convertible into stock of any other class or classes or of any other series of the same or any other class or classes, upon such terms and conditions as may be expressed in the articles of incorporation or in a resolution of the board of directors of the corporation, if delegation of power so to do is set forth in the articles of incorporation;
Right to subscribe.	
Subject to law.	
Obligations.	
Delegation of powers.	
Subscription.	7. If there is a capital stock, the amount actually subscribed, and by whom;
Assessment.	8. If the stock is assessable, it must be so stated."
Amending clause.	Section 2. Section 15-201, Revised Codes of Montana, 1947, is amended to read as follows:

"Section 15-201. **Amendment of articles of incorporation—purposes.** Any corporation heretofore or hereafter organized under any of the laws of the state of Montana, may, in the manner herein provided, amend its articles of incorporation by changing the name, place of business or number of directors, *or to provide that the number of directors may be fixed by the by-laws*, by changing the number, par value, character, class or preference of its shares of capital stock, by increasing or decreasing the capital stock, by changing or extending its powers or business to embrace any power or purpose for which corporations may be organized under the laws of Montana, or by an amendment in respect to any other matter which might lawfully have been originally provided in such articles of incorporation, or is now or may be, by law, provided in original articles of incorporation or in amendments thereto."

Amendment of articles.

Section 3. Section 15-204, Revised Codes of Montana, 1947, is amended to read as follows:

Amending clause.

"Section 15-204. **Contents of notice.** Said notice shall state the time and place of said meeting, shall distinctly specify the purpose thereof, and shall specifically state the proposed change of name, if any; the place from which and to which it is proposed to change its principal place of business, if any; the proposed increase or decrease in the number of its trustees or directors, if any, provided, however, that the number thereof shall at no time be less than three; *that it is proposed that the number of directors may be fixed by the by-laws*; the proposed change in the number, par value, character, class or preference of the shares of capital stock, if any; the extent of the proposed increase or decrease of the amount of capital stock, if any; the proposed change or extension of the business of such corporation, if any; the length of the proposed extension of the term of existence of such corporation, if any; and a specific statement of the nature of any other proposed amendment."

Contents of notice of meeting.

Section 4. Section 15-302, Revised Codes of Montana, 1947, is amended to read as follows:

Amending clause.

"Section 15-302. **By-laws—may provide for what.** A

By-laws.

corporation may, by its by-laws, where no other provision is specially made, provide for:

Meetings.	1. The time, place, and manner of calling and conducting its meetings;
Quorum.	2. The number of stockholders or members constituting a quorum;
Proxy.	3. The mode of voting by proxy;
Directors.	4. <i>The number of directors and the mode and manner of increasing or decreasing the number of directors; the time of the annual election of directors, and the mode and manner of giving notice thereof;</i>
Salary and duties.	5. The compensation and duties of officers;
Elections.	6. The manner of election and the tenure of office of all officers other than the directors; and,
Penalties.	7. Suitable penalties for violations of by-laws, not exceeding, in any case, one hundred dollars (\$100) for any one offense."
Amending clause.	Section 5. Section 15-401, Revised Codes of Montana, 1947, is amended to read as follows:
Control by board of directors.	"Section 15-401. Corporate powers and business exercised by board of directors—number and membership of board—quorum. The corporate powers, business, and property of all corporations formed under this title must be exercised, conducted and controlled by a board of not less than three (3) directors, to be elected from among the holders of stock, or where there is no capital stock, then from the members of such corporations. Directors of corporations for profit must be holders of stock therein in an amount to be fixed by the by-laws of the corporation, except those named in the articles of incorporation for the first three (3) months, who shall be directors until their successors are elected and qualified. Directors of all other corporations must be members thereof. Unless a quorum is present and acting, no business performed or act done is valid as against the corporation. Whenever a vacancy occurs in the office of director, unless the by-laws of the corporation otherwise provide, such vacancy must be filled by an appointee of the board. <i>When a vacancy or vacancies in the office of director is created by virtue of an increase in the number of directors</i>
Directors must hold stock—exception.	
Quorum required.	
Vacancy.	
Appointment on increase in number.	

by a by-law adopted by the stockholders or the board of directors such vacancy or vacancies shall be filled by an appointee or appointees of the board of directors and such appointee or appointees shall hold the office of director until the next regular annual election of directors when the office held by such appointee or appointees shall be filled by an election of the stockholders or members as in the case of the election of other directors."

Election.

Section 6. All acts and parts of acts in conflict herewith are hereby repealed.

Repealing clause.

Section 7. This act shall be in full force and effect from and after its passage and approval.

Effective immediately.

Approved March 7, 1963.

CHAPTER 184

An Act to Amend Sections 25-301, 25-303 and 25-306, R.C.M. 1947, to Provide for Increases in Fees of Justices of the Peace in Civil Actions; to Provide for Increases in Fees of Justices of the Peace in Criminal Actions; to Provide for Increases in Salaries of Justices of the Peace in Certain Townships; Repealing All Acts and Parts of Acts in Conflict Therewith.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. Section 25-301, R. C. M. 1947, is amended to read as follows:

Amending clause.

"Section 25-301. **Fees of justices of the peace in civil actions.** The following is the schedule of fees which must be collected by justices of the peace in every civil action introduced in a justice court:

Justices of the peace—schedule of fees—civil actions.

Three dollars and fifty cents (\$3.50) when summons is issued, to be paid by the plaintiff.

Three dollars and fifty cents (\$3.50) when issue is joined, to be paid by the defendant.

Three dollars and fifty cents (\$3.50) of the prevailing party when judgment is rendered. In cases where judgment is entered by default, no charge except the three